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EMILIA DISANTO, REPUBLICAN STAFF DIRECTOR PATRICIA R. FUHBES, DEMUCRATIC STAFF DIRECTOR AND CHIEF COUNSEL

United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP WASHINGTON, DC 20510-6350

January 31, 2003

The Honorable Trent Lott, Chairman
The Honorable Christopher Dodd, Ranking Member
Committee on Rules and Administration
305 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Lott and Ranking Member Dodd:

On behalf of the Committee on Small Business and Entrepreneurship (the Committee), we request additional funding for the 108th Congress from the Special Reserve Fund. This request is based on special, unforeseen, and non-recurring circumstances to which the Committee finds itself subject. Specifically, we request additional salary (plus applicable COLAs) and administrative expense funds of \$151,667 for the period commencing on March 1, 2003 and ending on September 30, 2003; \$266,938 for the period commencing on October 1, 2003 and ending on September 30, 2004; and \$113,786 for the period commencing on October 1, 2004 and ending on February 28, 2005.

The special, unforeseen, and non-recurring circumstances warranting this request relate to the Joint Leadership Letter for the 108th Congress (the Leadership Letter) and the Committee's Memorandum of Understanding with regard to the 107th Congress, dated February 27, 2001 (the Committee's MOU). Copies of these documents are attached for your reference and review.

Specifically, the Leadership Letter states in pertinent part that "No committee budget shall be allocated to reduce the Democratic staff salary baseline from that of fiscal year 2002 (including COLA), as adjusted by approved COLAs for fiscal year 2003 and fiscal year 2004." Regrettably, the total budget authority proposed by the Committee on Rules and Administration incorrectly assumes that the Committee's Democratic staff salary baseline for fiscal year 2002 was 50% of the total salary funds (after excluding non-designated salaries) allocated to the Committee for the 107th Congress. In fact, the Committee's MOU provided that the Democratic staff salary baseline was 56% of such salary funds.

As a result, under the proposed total budget authority, coupled with the Leadership Letter, we are unable to apportion the salaries to reflect the ratio of the Senate, provide adequate salaries for the Republican staff to fulfill their Committee leadership responsibilities, ensure that the Democratic staff salary baseline reflects the actual level of fiscal year 2003 (including COLAs for fiscal years 2004 and 2005), and meet the Committee's duties and responsibilities. We request the aforementioned funds from the Special Reserve to correct the total budget authority so that the Committee's salary apportionment will be consistent with both the spirit and intent of the Leadership Letter.

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These requested funds are critical to the successful operation of the Committee. The Committee is one of the smallest standing committees of the Senate with an extremely large and diverse constituency. Accordingly, it is essential that the Committee receive sufficient budget authority to carry out its activities in an effective and efficient manner.

Additionally, the requested funding is particularly important to this Committee because its current baseline budget does not include sufficient funds to correct the inequities without additional funds. In the previous Congresses, the Committee has consistently utilized nearly all of its budget authority (approximately 97% in the 107th Congress).

In light of the Rules Committee's request that all committees submit their budget documents by January 31, 2003, we ask for your prompt attention to this request. We await your prompt reply so that we may proceed with reporting out a Funding Resolution for the Committee.

Thank you in advance for your prompt consideration of this request. If you have any questions or need additional information, please contact either of us or have your staff call Emilia DiSanto, Majority Staff Director for the Committee, or Patricia Forbes, Democratic Staff Director and Chief Counsel, at 4-8494 and 4-8497 respectively.

Sincerely,

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John F. Kerry Ranking Member

Attachments

*APPROVED:

COMMITTEE ON RULES AND ADMINISTRATION

a J. Snowe

CHRISTOPHER J. DODD

Ranking Memper

TRENT LOTT Chairman

*Effective March 1, 2003, subject to the availability of appropriated funds